

# KENTUCKY BROWNFIELD UPDATE

VOLUME 1, ISSUE 3

WINTER 2007

## Public Outreach and Brownfield Redevelopment: Inquiring Minds Need to Know



While many consider community involvement a thorn in the side of brownfield redevelopment, it is actually one of the most important factors in making a project successful. For years, the U.S. EPA has stressed the importance of an educated public in brownfield decision making.

By overlooking community members, you may be overlooking knowledge. Citizens can often provide information about a site's history, chemical and industrial uses and other human activities that occurred on site. They can also serve to streamline efforts. If the concerns and issues of community members are incorporated into a project at the outset, it will reduce the chance that a project will be held up or that challenges will be made to the redevelopment. Community members will also be more accepting of a project that they are knowledgeable about and can, in time, serve as an advocate for the project.

Community involvement in general promotes environmental justice, fosters collaborative efforts, minimizes conflicts, improves information flow, improves the quality of life for citizens and allows for community advocacy. Community participants should be treated as partners in the revitalization of their neighborhood. They should be given all pertinent information about the project so that they can analyze costs, benefits and potential impacts. Failure to do this may result in costly delays for a project or outright opposition. Lines of communication should be opened before the project is started and follow through its duration.

But how is this to be accomplished? A good start is to identify who the stakeholders are in the community. Who is going to be impacted by this project? Contact the leadership of those stakeholders and start a dialogue through meetings. This will send a signal to the community that you are encouraging participation and the exchange of ideas. Community leaders can assist in communicating the information by determining the best methods of information dissemination, announcing meetings, ensuring that participation efforts reflect the makeup of the community, and helping build relationships and alliances.

You can improve the public's access to information by performing outreach through newspapers, school programs, public meetings, posters, newsletters, local cable access stations, the Internet and e-mail. You will also want to set up an information bank with details of the revitalization project. This should be a place that is open to the public such as a library or town hall. If you are using meetings or forums, make them interesting to attract participants and make them want to attend again. Enlist essential participants for information dissemination such as schools, charity organizations, associations, nonprofits and churches. If necessary, you may need to identify someone who is able to translate the scientific and technical results to the community.



See related story on page 4

## The Kentucky Brownfield Program

*Recycling the Commonwealth*



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Missing something? If there is a topic that you would like to see covered in the Kentucky Brownfield Update, let us know. Send your ideas to [amanda.lefevre@ky.gov](mailto:amanda.lefevre@ky.gov)



## UPCOMING EVENTS

March 14, 2007- NBA Technical Assistance Training

September 2007- Brownfield Grant Writing Course-  
To be held at several locations across the state, dates and locations TBA.

*For more information on any of these events please call the Kentucky Brownfield Program at (800)926-8111 or check out our Web site at:*  
[www.dca.ky.gov/brownfields](http://www.dca.ky.gov/brownfields)



# Brownfields 2006: A Yellow Brick Road to Brownfield Redevelopment

By Herb Petitjean



The subtitle for the Brownfields 2006 National Conference, “A Revolution in Redevelopment and Revitalization,” was a reference to its location, Boston. But for me, these national conferences remind me more of the *Wizard of Oz*.

Dorothy was trying to return to the home she knew before. Many community leaders are trying to return deteriorating properties in their hometowns to how they were before plant closings and neglect took their toll. Scarecrow wanted a brain. Many public officials feel they don’t have the knowledge to address brownfields. Tin Man wanted a heart. The struggles with attempting to revitalize abandoned properties can often lead neighborhood leaders to become discouraged and to lose heart. Cowardly Lion wanted courage. Townspeople may hesitate to try new approaches to revitalization.

But one needn’t go “over the rainbow” to find home, brains, heart or courage for brownfield redevelopment. The knowledge and success stories of the 6,000+ attendees at the recent national brownfields conference were more than sufficient.

The conference featured over 130 educational sessions. Of course, I could only attend a handful, but some of the ones I did attend discussed:

- A community with a population of less than 200 that was revitalizing an abandoned hospital site.
- The liability issues when communities involuntarily acquire properties.
- How universities are constructing green buildings.
- How schools are using brownfields for interdisciplinary, hands-on learning.
- Funding sources for rural and small towns (beyond the usual EPA brownfield grants).

There were mobile workshops that visited local brownfield projects as well as a poster gallery and a brownfield film series. About 200 exhibitors (federal, state and local governments; associations; nonprofits; and vendors) had booths set up in the exhibit hall. A Brownfield Transaction Forum provided an opportunity for communities to pitch available properties to developers. As in any conference, the informal networking opportunities were often as valuable as the scheduled program.

This was an opportunity for me to have face-to-face meetings with people you have been collaborating with by phone or e-mail. I have been involved in discussions with EPA Region 4 and 5 regarding a possible joint Regional Brownfield Conference to be held in Louisville or Cincinnati/northern Kentucky. Since most of the organizing committee members were going to be in Boston, we took advantage of the situation to schedule a working lunch.

But the conference wasn’t all work. It was great fun meeting old friends, making new friends, eating fresh seafood, listening to the EPA Region 1 band “The Hazardous Constituents,” and taking on Kelly Novak (National Association of Development Organizations) in a round of “Brownfield Jeopardy.”

I hope you will consider attending the next National Brownfield Conference to be held May 5-7, 2008, in Detroit, Mich. Remember: “There is no place like a national brownfield conference.” ♻️



## Grant Writing Party Offers Attendees Valuable Feedback

If you are like most people, you can never catch your own mistakes when writing. Another danger is that something you write is perfectly clear in your mind but may be confusing to someone else. These are only a few of the mistakes and errors that those attending the Kentucky Brownfield Program's First Annual Grant Writing Party were looking to catch. Representatives from Louisville Metro City Government, the city of Frankfort, and the Northern Kentucky Area Development District brought copies of their grants for peer review at the event, which was held on Nov. 20, 2006.

Brownfield program staff, representatives from the communities and other volunteers reviewed each grant and offered up critiques to help polish them up for EPA review. The Kentucky Brownfield Program has made a concerted effort to provide those who are interested in EPA brownfield grants with the tools that they need to author a strong application. Early in the year, the program sponsored a grant writing workshop through the National Brownfield Association. Staff also provided useful grant writing resources, a special grant writing issue of the quarterly newsletter and individual review services. Kentucky has been unsuccessful in its hunt for grants over the past few years, but it is hoped that this increased effort will yield funding for some of the brownfield projects across the state. In all, there were seven brownfield grant applications submitted to the EPA in the latest round. Nationwide, one in three grants gets funded.

In the upcoming year, the brownfield program staff will continue to collect resources and provide training for those who want to join the hunt for brownfield dollars. Plans are in the works to form a grant library so that people who are new to brownfield grants can see what a successful application looks like. The staff is also planning to take to the road for a traveling grant writing training tour in the fall. Currently plans are in the works for the two-person show to make four stops around the state to educate prospective grant writers on EPA brownfield grants, the do's and don'ts of writing them and what to expect if they get funded. And of course, the staff will hold the Second Annual Grant Writing Party next November. Watch our Web site and our newsletter for details on those upcoming events. ♻️



Roy Funkhouser reviews an application from Louisville, while Rebecca Hall of the city of Frankfort reviews a document from another participating community.

## Brownfield Tax Incentive Extended

On Dec. 20, 2006, President Bush signed the Tax Relief and Health Care Act of 2006. The new legislation includes an extension and expansion of the Brownfields Tax Incentive. Under the new law, the incentive was renewed, effective after Dec. 31, 2005, and extended until Dec. 31, 2007. The Brownfields Tax Incentive allows environmental cleanup costs to be deducted in the year incurred, rather than capitalized over time. The legislation expanded the brownfields incentive scope, allowing the deduction of expenses for the cleanup of petroleum products (crude oil, crude oil condensates and natural gasoline), which had previously been ineligible.

The Brownfields Tax Incentive, intended to spur the cleanup and redevelopment of brownfields in distressed urban and rural areas, was originally signed into law in August 1997 as part of the Taxpayer Relief Act (Public Law 105-34). As before, entities interested in the tax incentive must receive a certification of eligibility from their appropriate state cleanup program contact.

EPA has updated its guidelines and other Brownfields Tax Incentive information resources to reflect the extension and expansion of the incentive signed into law by the president. Information on the Brownfields Tax Incentive is available at <http://www.epa.gov/brownfields/bftaxinc.htm>. ♻️





## Louisville Neighborhood Redefines Brownfields

We have all heard the acronym NIMBY (not in my backyard). It is the battle cry of any neighborhood opposing the placement of something undesirable in the area around their homes. Often, for a variety of reasons, residents don't have a say in what happens to the property around them. However, a grant from the U.S. Environmental Protection Agency is helping to make sure that does not happen to the Park Hill Corridor in west Louisville. In October 2005, the Center for Environmental Management at the University of Louisville, in a partnership with Louisville Metro Development Authority and the Center for Neighborhoods, received a three-year grant to create an outreach program that brings stakeholders together to participate in brownfield revitalization within the corridor.

"By increasing local knowledge about redevelopment and brownfield revitalization, we are encouraging reinvestment in the Park Hill Corridor," said Mayor Jerry Abramson. "That reinvestment will bring with it new jobs for area residents, stronger neighborhoods and sustained vitality for the larger community."

The Park Hill Corridor was historically Louisville's manufacturing hub, but over the years it has suffered job losses and a general decline in population. This area was once home to factories such as Philip Morris, Fawcett Printing Company and Corhart Refractories. The closure of these facilities, along with others, over the past three decades created a distressed area that is severely limited in its ability to attract new investment and is characterized by high unemployment and poverty rates. But in many ways, it is a perfect opportunity for this stakeholder group to come into play.

The outreach program, Redefining Brownfields, is a series of interactive workshops that serve to foster community participation in the redevelopment process, and build knowledge about brownfield redevelopment, particularly in the Park Hill Corridor. The program is bringing residents, developers, nonprofits, social service providers, bankers, landowners, business owners, religious leaders, environmental specialists and others to the table to help develop a vision for the corridor that can be utilized in a larger planning effort. Redefining Brownfields began in 2005 and will continue through 2008.

Sessions in the first year covered topics such as Brownfields 101, best practices and community building, how clean is clean, city resources, and jobs and housing. Eight workshops and four educational meetings focused on the history of the area and its current status, identification of the corridor's assets and the creation of a vision for future development. One of the workshops included a bus tour of Park Hill's brownfield properties. The sessions were well attended with broad stakeholder representation. In its second year, Redefining Brownfields is developing new projects suggested in year one, and is crafting its role in long-range planning for the corridor. The sessions continue to shed light on the issues surrounding redevelopment and bring together a diverse group to share their ideas, concerns and questions as they work together to revitalize the Park Hill Corridor.

For more information on the session and the Brownfields Institute, visit <http://www.redefiningbrownfields.org/>.



Residents were able to tour brownfield properties like this one during a bus tour of the Park Hill Corridor.



Residents, city leaders and other interested parties discuss issues facing the Park Hill Corridor in one of the Redefining Brownfields sessions.

## Legislative Watch: Bills that Impact Brownfields

### Senate Bill 82

This bill expands the eligibility of the existing voluntary cleanup property tax and income tax incentives passed in the 2005 Legislative session. The existing statute limits the tax incentive eligibility to individuals that obtain a covenant not to sue from the Environmental and Public Protection Cabinet after completing a cabinet approved cleanup. The administrative steps to obtain a covenant not to sue are very prescriptive. As a result, there have not been any entities that have obtained a covenant not to sue since the voluntary environmental remediation program (VERP) was established by the legislature in the 2001 legislative session. Because parties are unwilling to go through the steps required to obtain a covenant not to sue, there have not been any parties eligible for the voluntary cleanup tax incentives. As a result, the economic development objectives of the existing tax incentives have not been achieved. Senate Bill 82 eliminates the need of a party to obtain a covenant not to sue. It allows voluntary cleanups conducted under other remediation programs that are administered by the cabinet to qualify for the tax incentive.

For qualified parties, the state and local property tax rates on a remediated brownfield property are reduced. For three years following the cleanup, the property will not be subject to local ad valorem property taxes. During this period, the state ad valorem property tax rate will be reduced from 31.5 cents per \$100 of assessed value to 1.5 cents per \$100 of assessed value.

Qualified parties can also receive up to \$150,000 worth of income tax credits for expenditures made in order to meet the requirements of the VERP assessment and cleanup. The allowable credit for any taxable year is a maximum of 25 percent of the credit authorized. The credit may be carried forward for 10 successive years.

### House Bill 349

Tax increment financing (TIF) for community development is a local financing tool that would permit local governments to capture increases in property or other taxes that result from public investment in infrastructure. The captured value of the increase in local tax revenues is used to finance the infrastructure expenditures, either immediately or over the term of a bond issue. These improvements spur redevelopment and reuse of physically deteriorated or obsolete areas by improving the livability of the area, thereby making it more attractive to developers and businesses.

Current Kentucky law reserves the use of TIF to either undeveloped land or major projects representing broad new economic activity for the state. The Kentucky League of Cities supported TIF version would add community redevelopment projects as another option.

Among many other projects, brownfield remediation would be a likely use of TIF. The Environmental and Public Protection Cabinet estimates that there are 8,000 brownfield sites throughout Kentucky. Since many of those brownfields are located in cities, TIF would help many communities remediate and reclaim these currently unusable properties.

A majority of states currently allow TIF for community redevelopment, including five of Kentucky's seven neighboring states. These states have found that TIF for community redevelopment is an effective economic development tool that increases tax revenues without raising rates and encourages public-private partnerships. This financing tool enhances local flexibility but does not cost the state or school districts any money.

### House Bill 442

This bill would add the term "brownfield projects" to the definition of an infrastructure project, therefore making government-sponsored brownfield projects eligible for loans from the Kentucky Infrastructure Authority's Infrastructure Revolving Loan Fund. These loans carry low interest rates and have a 30-year repayment period. This would serve as an additional source of redevelopment funding for brownfield projects.

